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THE WAR OF 1886,

BETWEEN THE

UNITED STATES

— AND —

GREAT BRITAIN.

THE SURPRISING EXPERIENCE—THE MILITARY AND FINANCIAL
SITUATION OF OUR BELOVED COUNTRY—CAPTURE OF THE
LAKE, SEA-BOARD, AND MISSISSIPPI-RIVER CITIES
AND THE CAPITAL—THE BRITISH TERMS OF
PEACE—THE MILITARY AND FINAN-
CIAL RECONSTRUCTION.

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BY SAM. ROCKWELL REED,
of the Cincinnati Gazette.

[SECOND EDITION.]

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THE WAR OF 1886.

THE SURPRISE WHEN A BRITISH FLEET LAID THE LAKE
CITIES UNDER CONTRIBUTION.

At length the war came. Our public men had blustered much of war in Congress, on the stump, and in the newspapers. Party platforms had resolved sounding demands on foreign nations. Public meetings to sympathize with England's seditious Irish subjects, addressed by Congressmen and by the Vice-President of the nation, had resolved truculent denunciations of the English government. The campaign cry for a vigorous foreign policy had elected a jingo administration. We had warned Europe off from the American continent, and asserted our exclusive duty to protect all the American States, and had gotten their ill will by our airs of superiority and protection. We had threatened England for imprisoning Fenian agitators; had adopted resolutions of sympathy for the Irish Republic, whose seat of dynamite machine government was at New York; had winked at Fenian bandings to invade Canada; Irish-American contributions had long sustained rebellion in Ireland; we had provoked war, and made our nation a general nuisance, yet we had made no preparation for war.

To see a nation whose regular political pap was belligerent talk, thrown into panic by the first touch of war, was curiously instructive. We fancied we could make war at our leisure, and that when we got into war, would be time enough to get ready; and now when it came upon us with the blow at our word, it took us by surprise.

Because the course of the war on our northern frontier was what we had never dreamed that we were exposed to, this paper will first touch upon the war in that quarter.

We had fondly supposed that in case of a war with Great Britain, Canada, open to the great volunteer army which we could call out, would be her exposed spot. We had not thought that through Canada was a way to reach our lake cities. And now these were as defenseless as the sheep, when the wolf, like the Assyrian, came down on the fold.

Great Britain had completed her enlargement of the Canadian canals, so as to admit vessels 275 feet long, 50 feet wide, and of 15 feet draught. The lake cities had viewed with much complacency this work of enlarging, and had bright visions of direct trade with Europe by steamships from the lake ports, unmindful that the same canals could pass war ships from sea to the lakes. By a singular concurrence Great Britain had a large fleet of heavily armed steel frigates, steel armored, within these dimensions; and while we were blustering without performance, she had quietly gathered a fleet of these at Halifax; and presently twenty of these entered Lake Ontario, and twelve kept on through the Welland Canal to Lake Erie, making their base at Port Colborne, the Lake Erie inlet to the canal.

Each ship carried 100 marines, armed with magazine guns. This approach set all the lake cities in a blaze of alarm.

From Port Colborne the British frigates proceeded to lay the lake cities under contribution. Two made for Buffalo, two for Cleveland, and one for Toledo, and five went for Detroit and Lake Michigan. The United States steamer Michigan came out of Erie harbor, and made a brave attempt to fight, but her one smoothbore gun could not reach the British ships, while on the smooth water their eight inch rifles could hull her at every shot. One shot penetrated her boilers, but her commander refused to surrender, and another shell entered her magazine and she disappeared.

The national and State governments had not been idle, but in the absence of all means, all had to be done in panic hurry. Ohio called for 100,000 volunteers, and more than this number rose up; but there was no organi-

zation nor arms, nor means to feed or shelter the thousands that came pouring in.

In the soft conceit that war with a foreign power could never touch us, we had allowed our militia to run down, while Canada had been steadily fostering hers, and she could fetch to the border 50,000 troops, armed and equipped. On our side, half a million were rushing to arms, but the arms were not, and for the time 50,000 troops are better than half a million unarmed and unorganized men.

Even while the British fleet commanded the lake, the volunteers were going through the throes of electing their officers, in which were all the demagogism, electioneering, treating, bribery, and drunkenness of the worst political election. Some of the national guard artillery companies procured horses, and got their guns to the upper bank of the lake, but it was more like a fourth of July than war.

The two frigates appeared at the mouth of Buffalo Creek, fired a couple of shells over the town, to signify what they could do, and then sent an officer ashore to interview the city authorities. He demanded a money contribution of five millions, and the delivery of all the coal as contraband of war, and of all the vessels in the harbor as prizes to the British navy, on the ground that they might be used for war purposes. He also required that no troops should come nearer than twenty miles to the city, and no sort of military preparation be made therein. The alternative was the bombardment and burning of the city.

He also announced his orders to burn all the railroad stations, warehouses, and cars, for the reason that they are military means. To the pleading of the citizens he cited the example of Grant and Sherman at Jackson, and of Sherman at Atlanta and when he marched down to the sea. This home argument silenced, though it did not content them.

The sensation created by this demand was terrible. The authorities looked to the banks to advance the money, but the banks had lost their deposits before they suspended; besides, they did not like the security. The British officer allowed no delay, and fired a few shells to hasten a decision. The effect of these did the business. The citizens rose in

mass, and demanded that the banks and rich men should furnish the money. The efforts of these to hide their money, or to carry it out of town, were defeated. The masses formed a committee of vigilance, which held an inquisition and assessed rich men according to their supposed wealth, with the threat of fire to their property and of the lamppost to their necks if not instantly paid.

This was effectual. The money was paid, and now all the steamers, tugs, and sail vessels in the harbor were moved off in a vast procession to Port Colborne, the British impressing crews to man them. One frigate remained, holding the city in terror, while the marines burned the railroads; the other proceeded along the coast to the intermediate ports, to repeat the contribution on a proportionate scale. The experience at Cleveland was like that at Buffalo, and the contributions and railroad devastation the same.

At Toledo the frigate went up the river and lay in the very front of the town.

An ex-Major General of the civil war had been haranguing the citizens from the steps of the post office, with bravely defiant words, and a squad with life and drum had been drumming the streets for volunteers, to raise him a regiment, but these sounds died away as the British vessel came up. Somehow the land leaguers did not volunteer with that alacrity which might be expected.

A Lieutenant in full uniform went ashore in the ship's cutter, and was met by the Mayor with a white flag of large size, while a crowd of citizens looked on with anxiety and awe. The British assessed Toledo at \$2,000,000, with forfeiture of vessels and coal, and with the railroad destruction as before. The latter item included the four bridges over the river. The Mayor and a committee of citizens pleaded that the fine was beyond their means; that Toledo's wealth was in city lots, which, although of great future value, could not be converted into money. But the British Lieutenant confronted them with the annual reports of their produce exchange, and of their merchants and manufacturers' exchange, showing figures of enormous trade and prosperity, and with a Toledo pamphlet entitled

"The Future Great City," and still demanded the money. It was squeezed out of the banks and rich men, but it came very hard. Some gray beards were brought to the lamppost, and a rope drawn tight around their necks before they gave down. What is sadder than all is that the multitude of "the lower middle class" seemed to enjoy this squeezing of the rich. As before, while the smoke of the burning railroads was covering the town, the vessel owners saw their vessels towed out by their own tugs.

Meanwhile the frigates on Lake Ontario were doing the same profitable business with Ogdensburg, Sackett's Harbor, Oswego, and other ports. The frigates on their way to Lake Michigan made Detroit pay \$3,000,000, with the other accompaniments. To tell of the visits to intermediate ports, would be monotonous repetition. Milwaukee paid \$3,000,000, and in the smoke of her railroad burning saw the final departure of all her vessels. The most signal operation was at Chicago, which was assessed at \$20,000,000.

The frigates, at the mouth of the Chicago River, commanded the whole city with their guns. They took possession of the crib at the inlet of the water-works, to blow this up if coercion became necessary. In vain did the Mayor and a committee from the produce exchange plead against this enormous levy, that their great produce operations were mostly wind, and not values. The bluff British commander seemed to think that they ought to smart for their practice of high trading without property.

The newspapers were very brave, calling for resistance to the last drop of everybody else's blood, and so on; but the editors were politely sent for by the British commander, and entertained with a view of the war engines which the ships had bearing on the town. This changed their tone. The command of the water-works, leaving to the citizens no means to prevent a conflagration when the firing began, and the certainty that the ships would destroy the entire city, persuaded the citizens that they had no choice but to submit. Meanwhile a Communist uprising of Bohemians, Swabians, Italians, Poles, etc., re-enforced by all the dangerous and criminal class, created an internal danger worse than that in their front.

The contribution was raised, but not without a reign of terror which brought the bankers and rich men to the pressure by means like those which savage barons used to apply to rich Jews. Then an immense procession of sail vessels, steamers, and tugs, with impressed crews, departed down the lake, convoyed by one of the gunboats, to be taken to Canadian ports, and, with all this money, to be made a prize to Her Majesty's navy. Other frigates proceeded to intermediate ports. But worse than the loss of the money was the destruction of the railroads.

The mind can but faintly conceive the panic and mad rage which all these doings raised in the whole country. And all this was on top of greater calamities on the Eastern coast, which will be touched up on further along. The nation seemed to be captured all round the circumference. The great republic, with half a million of volunteers eager to be organized, armed, and led, was like a blind giant, impotently raging and beating the air. A fierce outcry arose against the administration, and the popular rage seemed to think it progress to begin the war of defense by overthrowing the government and setting up a military dictator. But the scope of this paper can not enter into the political revolutions of the war.

Such was the beginning of the war, and this was in the interior and West, where the thought had never entered the minds of the people that a foreign war could touch them. The means by which the citizens extracted this money from the rich were dreadful, being like a dissolution of society, and the uprising of agrarianism. It was like the reign of terror of the French revolution. A military despotism seemed a necessity to restore order after such a reign of anarchy and mob violence. Many were ruined by the contributions, but ruin had now become so common that people soon forgot these special cases. By the time the war had ended, the claims of these forced contributions had taken on the ill savor of old war claims, and of the monstrous jobbery of the war. Some were paid in much depreciated greenbacks, but the most of them were never paid. Meanwhile the country was making a mighty struggle to get ready for the war.

CHAPTER II.

THE MONEY PANIC—THE SURPRISE TO THE FINANCIALS—REVENUE ANNIHILATED—PUBLIC CREDIT GONE—THE SURPRISING ENLIGHTENMENT IN THE MILITARY SITUATION.

The war was an awakening of our public men to our financial and monetary situation, as well as to our military state. Many had talked that the war would cause all to boom with prosperity; but now a panic came, such as was never seen. With the decline in the surplus and in the revenue, our 4 per cents. had before declined to par; now they fell at one jump to 95, then to 90, then to 85; and now all thought that the bottom had dropped out, and all wanted to unload. All other securities and stocks sympathized. People lost confidence in everything. All were sellers at any price, and none were buyers at any price.

The only thing that people seemed to want was gold, and greenbacks because they would draw gold. Even the dollar of the fathers was discredited. Greenbacks were gathered up by the brokers and bankers to present to the New York Sub-Treasury to draw gold. Bankers and money shavers sorted the national bank bills, to present to the banks for redemption in greenbacks, or to send to the banking department for redemption in greenbacks, and these greenbacks were sent to New York to draw gold, which, as fast as drawn, disappeared. Somehow the abundant money had fled to unknown places.

The demand for greenbacks and gold put them at a premium, which gave a profit to the money changers. A long string of men besieged the door of the Treasury every day, to draw gold. The Treasury stood this run but a short time. Then it resorted to paying out the silver dollars, which gave the finishing stroke to the public credit at the very time when the government had to borrow, and straightway the bonds fell 14 per cent. more, and the greenback price of gold rose to 150 at a jump. Meanwhile, all manufacturing industries were palsied. Imported

goods, particularly sugar, coffee, tea, spices, etc., rose enormously, while produce, cut off from export, fell. Yet, in the general calamity, speculators made their harvest, alike by the falling and rising prices. In particular it was a carnival for the speculating bears.

Our various canal, levee, ship railway, steamship subsidy, educational and other schemes, had exhausted the surplus revenue. The internal revenue had been thrown off by the protection fanatics, as a scheme to keep up the extreme tariff taxes of the civil war. And as the very beginning of war extinguished the revenue from imports, the country entered upon war without a dollar of revenue, when it needed for immediate expenses five millions a day. Because we had found the emission of legal tender notes a sort of resource in war, we fancied that we had this in reserve, unmindful that by keeping these in circulation we had exhausted this war reserve in time of peace, and that the beginning of a further issue would hasten the downfall of all.

That large class of wise statesmen, which is always in reserve for great emergencies, began to express the critical opinion that a bellicose nation ought not to depend solely on a revenue system which hostilities extinguish; also, that the extraordinary resource of issuing greenbacks for war means, ought not to have been exhausted in peace. In the heat of the time, these went so far as to say that our public men should have known all this before the war. But always the posterior wisdom is sufficient.

We were unconscious that the ability of the government to borrow at three and a half per cent., in time of peace, with an overflowing treasury and so large a surplus of revenue that we were bothered to find ways to spend it, would suddenly cease with war, the annihilation of revenue, and the need to borrow by the thousand millions. We began to see it when our six per cents. ran down like the sands of the hour glass. Thus was our financial and money preparation a parallel to our military situation; yet our public men talked of war as if it were a cheap indulgence to court popular sentiment, and as if our country was entirely secure in any event.

The army men had not been able to decide upon the kind of infantry arm, and the making of any for storing up had been restricted by this inability. Our army had made no advance beyond the Springfield musket, converted to breech-loading, and of these we had in store but 37,000. [Ordnance Report, 1882.] The rest was near half a million of old Enfields and other muzzle-loaders which we had bought in Europe, and which were left from the secession war. Our private manufactories had furnished the Turks with half a million of the Henry Martini "magazine" rifles for the war with Russia, but somehow our mechanics could never satisfy our own ordnance bureau.

The military authorities had periodically set before Congress the defenseless situation of the coast, and had called for large appropriations, but they were regularly unheeded. When forts and guns were asked for, the politicians talked of ships for coast defense, as if ships could be at every point to meet a hostile fleet of a greater navy. Between the two, we got but little of either forts, armaments or ships. Nor were the ordnance officers agreed on the kind of forts or guns to meet modern conditions.

Our foremost progress in the making of cannon, was in experimenting in converting cast iron smooth-bores to rifles, by inserting a wrought iron barrel, and to breech-loaders. There is an art of adapting the firing proof of guns to the theory. A part of the ordnance men maintained that these were perfected guns, and they had the support of the newspapers. The other part affirmed with equal positiveness that the two metals were mutually destructive, and the process an actual weakening of the cast gun. In this conflict of the military experts, we got few guns of any sort, and most of the old were given out for soldiers' monuments. The British ships carried eight-inch and ten-inch, breech-loading, steel rifled guns, which soon persuaded us that they were not such utter failures as we had been taught.

The torpedo branch of the navy was up to the times, but it was only a nucleus, to be expanded when the need came, and it was suddenly called to protect the harbors at

around—Atlantic, Pacific, Gulf and Lake. Each of the great British ships, of the class of the *INFLEXIBLE* and *MONITOR*s, carried torpedo boats, and revolving cannon invented by our own mechanics for hailing shot upon approaching torpedo boats.

The British statesmen had observed these military and financial conditions, and had reckoned that their opportunity was in striking a decisive blow at the first. They had gathered to their stations on the American coasts—Atlantic and Pacific, their ships from all the world. These seemed to us uncountable for multitude. Also, the great passenger steamers of the lines to New York were armed, and were bringing troops, ordnance stores and supplies.

CHAPTER III.

THE GREAT INTELLIGENCE OF THE GREAT AMERICAN CONTINENTAL POWER—THE OCEAN, TO WHICH WE HAD TURNED FOR DEFENCE, OUR WORST ENEMY—OUR FLEETS DEFEATED—BRITISH SHIPS CAPTURE MAY 1861—WASHINGTON—ENGLISH TRAFALGAR JOKE—GRATEFUL SIGNS AROUND THE MISSISSIPPI.

The year of 1886 surprised a lot of the delusions of our national conceit, and brought a startling enlightenment upon our military situation, and the tremendous energies and engines of modern war. They who had blustered for war as a party sentiment, never thought themselves responsible for measures to prepare for war. Fondly did we suppose that it would be time enough to get ready when the war had come; but we found that in modern war the blow comes with the word, and that Providence is on the side which strikes first. Because in our civil war a million brave men rushed to mutual slaughter, we fancied that if we could whip the world; but the world did not come to our fighting ground.

A rude shock was given to our belief that we were the

great power of the American continent, with the duty to protect it against Europe, when we could not protect our own shore; a shock to our confidence that the Atlantic Ocean made us unassailable by all Europe, when we saw it fettering over great engines of war against which we had no defense; a shock to the sweet delusion which had been proclaimed with much newspaper iteration, that no arm-bearing ship could cross the Atlantic, and therefore that our amphibious monitors were a sufficient defense for the coast.

If the downfall of a nation of fifty millions of people was not so pitiful, there would be fund for humor in the awakening which the swift events of real war brought into our national conceit, our military theories, and our traditional Monroe Doctrine. A British Squadron possessed the lakes, which we had supposed to be our own inland waters. A fleet of great armored steamships commanded the eastern coast. The harbors of the Bahamas and other British West Indies, off our southern Atlantic coast, had revealed their commanding position as a base for blockade runners and piratical steamers in the secession war, and now they were stations for a British fleet of ironclads and swift cruisers.

These harbors were as commanding to our shore as any of our own ports. They held all the sea-board cities in fear, and closed the way of our coasters to the Gulf. We had dreamed of sending out Alabamas to drive British shipping from the seas, but none of our ships dared to poke their noses outside, or could overtake an English steamship if they could get out. Every city on the sea-board, including the national capital, was in terror of a visit from British men of war. Panic is not bounded by reason, and this spread far up the tide-water rivers into the interior. Happily our ocean shipping had before disappeared from the high seas, so that it escaped being made prizes to Her Majesty's Navy.

The lesson taught in our civil war, that even wooden ships could run by our forts, had not been lost, and there was no confidence in the ability of our forts or guns to stop the passage of the British ironclads. On the Pacific

coast, ships from the naval station of Victoria brushed away our coasting steamers, and closed the ports of Portland and San Francisco. The star-spangled banner, in the Pacific waters, remained only on some naval steamers which had taken neutral refuge in South American ports, where the officers were stung with mortification by their helplessness, the British insolent manners, and the small opinion held of our power by the mongrel natives. Our exclusive guarantee of the neutrality of the Isthmus Canal was suspended for the war.

That which had vaunted itself the great American continental power, ruling the American seas, warning Europe off the continent, and making all the American states our humble proteges, had suddenly been reduced to an inland state. Never was the United States Navy lacking in valor or dashing enterprise. Heroic sallies were made by our wooden ships, with their old-fashioned guns, regardless of odds, but it was only a sacrifice of brave men and ships.

The newsboys had a selling sensation when their cries announced that from Sandy Hook a British fleet was signalled approaching New York Bay. Successive editions of the newspapers reporting its progress found a ready sale. The ships utilized captured coasting vessels, laden with hay, for fenders against the fire of the forts, and against torpedo boats, and used others to drag the channel for planted torpedos. Their movement carried them out of range of the guns of the forts before they could deliver the second fire, and the fire from the more numerous and powerful guns of the ships altered the face of the forts.

Then the great cities of New York and Brooklyn, and all the towns up the North River as far north as the city of Hudson, lay at the mercy of a British fleet. The Admiral invited the authorities to an interview on his flag ship, and his sense of humor was touched when he recognized by the burr on their tongues that they were recently England's seditious subjects. He demanded the surrender of the two cities, the forts at the Narrows, the public and private ships, the money in the United States Treasury, and a contribution of \$100,000,000. The swift alternative was the bombardment of the city.

The helplessness of a great city under the guns of ships was a startling experience, although in our civil war we had seen it on a smaller scale when Admiral Farragut lay before New Orleans. Resistance was self-destruction. The very magnitude and wealth of the cities made the necessity of submission the more absolute. To pay all down was impossible, and the Admiral took a sixty day note for part. He then destroyed the Brooklyn Navy Yard, blew up the forts of the harbor, and announced the purpose to hold the city till the end of the war. Even a single ship could do this, but there was a powerful squadron.

The interior ceased all trade with New York. Laborers were out of employ and threatened with famine. The destitution was general and terrible. Communism lifted its ugly head and threatened a reign of plunder. Thus did New York become a petitioner for peace, and a British possession for the war. The journals were neutralized by a notification that they must respect the British authority. The *Herald* renewed its proposition of the winter of 1861-62, that New York City should secede and set up independence as a free port, under the British guaranty.

A novel illustration of the power of war engines, and of the meekness of a great city under their guns, was seen when British officers in full uniform strutted along Broadway, and made themselves free of the hotels and club houses, in the midst of a hostile population of a million. New York harbor was made the central station of the British navy of the Atlantic coast.

The abasement of the nation seemed complete when a squadron came up the Potomac, and the vessels of lesser depth lay in front of the capital, and for the second time it fell into British hands. Congress and the Executive fled to Harrisburg, which became the seat of government for the war. The city authorities, and the commandant of the Navy Yard answered the summons to surrender.

The British did not burn the public buildings as before. They had come to stay, and to hold the capital to abide the event of the war. They burned the Navy Yard, and ransacked the treasury vaults, in which they found but

little money. They took the greenback plates, and set the presses going printing greenbacks, satirically saying that as the Americans believed the issue of greenbacks wealth, they would soon make them rich by their own prescription. Parties of soldiers, seamen and marines paraded the town. Some hundreds took possession of the chambers of legislation, and organized a congress, and, with much travesty of Columbian oratory, adopted a joint resolution, rescinding the Declaration of Independence, and acknowledging the supremacy of the British Queen.

The British Admiral made himself at home at the White House, then newly furnished for a jingo President. The British flag was hoisted on all the government buildings; the British uniform was seen everywhere, and the national capital took on the aspect of a British city. The ease with which rich cities were held under the guns of a few ships, was a surprise to our people.

A British squadron did not neglect the example of Farragut in ranning by the forts below New Orleans. The cities filled the entrance. The fire of the forts made but little impression, and thus New Orleans and the river towns up to Vicksburg were laid under contribution, which, in consideration of the scarcity of ready money, the British kindly consented to take in cotton.

CHAPTER IV.

THE NATION'S DOWNFALL—IMPOLENCE OF CONGRESS LEGISLATION, AND OF THE MILITARY DICTATOR—PREPARING FOR DEFENSE AFTER CAPTURE—THE BRITISH OFFER PEACE—THE TERMS—HARD BUT UNAVOIDABLE—THE LESSON OF PLAYING WAR FOR PARTY CAPITAL—A SADDER AND WISER NATION—REBUILDING FROM THE RUIN.

Sed horrendum delorem quare renovarem? Why prolong the tale of our country's catastrophe by telling of like visitations upon Portsmouth, Boston, Philadelphia, Baltimore, the Norfolk Navy Yard, Charleston, Savannah and inter-

mediate ports? They could not resist. These visits seemed pleasure excursions to the British navy, not dangerous enough to be exciting. At Philadelphia, they sunk the monitors at League Island, which the nation had established as a fresh water cemetery for these amphibious creatures, and blew up the Navy Yard here as at Norfolk.

At Philadelphia, the mint fell into their hands, with a stock of silver bullion. Instead of carrying off this, they set the mint at work night and day coining it into "the dollar of the fathers," as they wittily called it, and they opened a market for the surplus silver of France and Germany, to coin for our people; asserting that the duty devolved on them to perform the office of the government in the interim while the dejure government was suspended, and that they ought not unnecessarily to deprive the American people of that which their statesmen held to be a source of prosperity. There was a touch of English humor in this, which somehow our people did not appreciate.

The downfall of a nation is a mighty tragedy; much more when it is of a great, patriotic, high spirited, martial people, by the foolishness of their government. A nation of fifty millions, which in a little time could put into the field a million of volunteers for the war, the best soldiers in the world, was reduced to terms by military occupation by a foreign power whose resources in men would be strained to put on foot an army of 100,000. By a strange imbecility in the government, and a strange incompatibility in the military establishment, a people of great mechanical genius and great mechanical resources, had almost no appliance of these to the country's defense.

Meanwhile, what was Congress doing to save the nation from this swift ruin? Passing bills to call out a million of volunteers. But how could a million volunteers grapple with such an enemy, whose guns commanded our great cities? And to arm these brave volunteers we had but the refuse of the arms left from the civil war, which then had been the refuse of all Europe. It was also passing loan bills, which was a calling of spirits from the vasty deep; bills to issue more greenbacks and break down all; bills to create a new revenue by taxing everything we could see,

feel, or have a notion of; bills to increase the manufacture of small arms at the national arsenal; bills to make cannon, with our ordnance officers disputing what kind of cannon to make; bills to build forts to protect our ports, which already were occupied by the enemy; bills to build ships, when we had nowhere to build them; bills to create generals of all grades; likewise quartermasters, of whom every congressman had a score to apply for. And in all the country's distress, the quartermasters and contractors had a harvest.

A million of patriotic volunteers—as much as half of them veterans of many battles—were eager to be armed and led to fight; but how fight an enemy who held our own cities? The military dictator whom we had set up in the madness of our panic and rage, only showed his stupid incapacity, and seemed to care for nothing but to fasten himself and his thieving ring upon the country. The shock of the national conscience by this usurpation, and the rising of resistance, distracted the country with internal conflict, while torn by invasion.

At length the British, having taken full satisfaction, and wonderfully lifted their military prestige, offered terms of peace, the most important of which were a fine of \$1,000,000,000, the return of Jumbo, the cession of San Juan, commanding the entrance to Columbia River, which had been awarded us in an arbitration by the Emperor of Germany, the freedom of our coast, lake, and river trade to British vessels, and that no higher duty than ten per cent. should be laid on British goods.

The country was held in a vice, and could only submit. The blustering, filibustering, Canada-invading, Irish Republican, whip-the-whole-world-in-arms, jingo party had disappeared. The poor military dictator, who had been elevated like Corporal Fritz, was pulled down as ignominiously. The hardest of these hard terms was that which limited the duty on British goods to ten per cent. It seemed inevitable ruin to our manufactures. On such articles as common woollens and cottons, coarse blankets and carpets, and other articles of apparel and household stuff, such as are used by workmen and the

masses, on rough iron, iron and steel rails, and a great list of the articles of common necessity, the former protective duties averaged as high as sixty per cent. When the whole had been found necessary to their existence, and even to their partial possession of our own market, how could our manufacturers hope to live under this abolition of so large a part of their protection life blood? But their distress touched no sympathetic chord in British bosoms.

The President was reinstated by British orders, and Congress was called back to Washington to ratify the terms under British guns. New York was to be held as security till the fine was paid. There was cursing, not loud but deep, and muttering of dreadful revenge, but the treaty was concluded. Revenue and credit had to be built from the bottom, with \$3,000,000,000 added to the public debt, and greenbacks down to 60 in gold. But the wealth of the soil was left, and in time it began to tell and to revive hope. Our credit abroad was gone. Through the customary profitable syndicate, we swapped six per cents. for greenbacks to pay war expenses, and to buy gold to pay the fine, and called it selling the bonds at par, just as the horse in green spectacles eats shavings as grass. But England took compassion on our distress, and consented to receive half the fine in six per cents. at 75, and in the course of two years after the treaty, New York was released.

The war made us sadder and wiser, but not better. A sentiment of revenge was generated, to remain the chief national tradition. But we had found what was necessary for war, and now, under a crushing burden, had to begin fortifying and arming. By our war fooling we had lost our national independence, had become the scoff of Europe and America, had subverted the constitution, and had been scourged by spoliation and devastation to an amount equivalent to the earnings of a whole generation. The lesson was severe on the play of the game of war to float party demagogues; on brag and conceit as the national sustenance; on the reckless practice of politicians to bluster against foreign powers, and to boast our ability to whip the whole world, while never making any preparation for war.

CHAPTER V.

AFTER THE WAR—MILITARY RECONSTRUCTION—CREATION OF A NATIONAL ARMY—THE REPUBLIC BECOMES A FIRST-CLASS MILITARY POWER—RECONSTRUCTION OF REVENUE AND MONEY ON A SOUND BASIS—INDUSTRIAL REGENERATION—THE NATION'S DISASTER TURNS TO A BLESSING—THE REPUBLIC ACHIEVES THE MANUFACTURING EMPIRE OF THE WORLD.

The history of the Great Republic's downfall would be unworthy if it had no moral, and if its only effect were to feed the spirit of revenge which this humiliation planted deep in the hearts of the American people—a heritage to be transmitted from patriotic sire to impressionable son, for all time.

Through all the economy of nature, in nations as in individuals, the law runs that wisdom shall come only through the thorny way of chastening. The merciless brushing away of the popular conceits by the war of 1886, and its revelation of our real military, financial and economical condition, compelled a reconstruction from the bottom, which was like a new birth to the nation, making it developing and teachable as a child.

The lesson of the folly of keeping the nation defenseless; of the treacherous nature of a revenue which is extinguished by hostilities; of a currency which breaks down at the first alarm of war, and an army system which has wonderful success in separating the nation from its natural military resources, was deeply impressed upon the people. A thorough militia was created as the national army. The impassible gulf which the old army system had created between the regular and volunteer, was removed; the militia became the regular army, and the way to the higher military education and rank. Military training in the public schools prepared cadets for the militia.

The spirit of the people, thus fitly recognized by the government, and the *esprit de corps* of a truly national military system, created an army of half a million of young

men, which could be mobilized in a week, besides a million more within the age of thirty-five years, who had passed through the regular training; and this with but little more cost to the national government than the former army, which had twice proved to be a delusion as a trust for war. This formed a great popular army, into which the young men sought to be enlisted; whose requirements for admission, and whose dignity of service, made it an honor; which had all the discipline and readiness of the Prussian system, with a higher spirit in the ranks, with none of its caste distinctions, and without its hardships to the volunteers, or its cost to the government. Simply by giving the martial spirit of the people a chance by a popular army, we became the first military nation in the world, without the grinding burden and oppressions of the old world army systems.

The army establishment which had separated the defense of the country from its mechanical resources, was obliterated. Every important harbor bristled with guns which would make the passage of any ship a costly experiment, and with other abundant means of obstruction which mechanical genius created. One of the surprises of the new system was the economy with which guns could be mounted and shielded for coast defense, when the useless provision of a fortress against land attack was left out. With the admission of military and mechanical intelligence, it was found that the complete armament of our ports against ships, cost but little more than the few fortifications of the old system, which made a great and costly fort, against impossible land forces, the first requisite for defense against ships.

Enlightened by severe experience the notion of ships for coast defense was given up, and that expenditure was saved to apply to real defenses. The mechanical genius of the country, no longer excluded from the military system, furnished to the popular army arms superior to any in the world, instead of the former practice, by which foreign armies had the benefit of our country's mechanics, while our army was limited to obsolete arms.

Taught the treacherous nature of a currency which failed

at the first alarm of war, the greenbacks were redeemed, and the only paper money allowed was that which represented bullion deposited against it, to an equal amount, in either of the precious metals, at the true value of each. Henceforth suspension of specie payment became an impossibility in either peace or war, and the idea of even demanding redemption in specie became obsolete.

Under the compelled reduction of the tariff on imports, and the multiplied burdens left by the war, and the lesson of the impolicy of a revenue system which war annihilates, the whisky and tobacco excises were restored. Tea and coffee were made to yield a large revenue. An export duty on cotton had become a popular national policy, and we got a handsome revenue from this, to the advantage of our manufacture, without impairing the country's supremacy in this production. Taking advantage of our exclusive possession of the petroleum fountains, an export duty on this also made foreign countries contribute to our necessities.

The greatest surprise which followed the war, was that a blessing was found disguised in that coerced limitation of the tariff on imports, which our political economists thought our ruin. The maximum duty of ten per cent. compelling the admission of all rough materials free, not even excepting that greatest material of the industries, iron, put new life into our manufacturing and all other industries. A complete revolution took place in the industrial economy. Instead of forcing up the cost of production by enormous taxes on every article of consumption, deluding the workman by nominal high wages, to be taken from him by high cost of living, it was found that a reduced cost of production invigorated manufactures, and that with the consequent reduction in the cost of living, the workman, on lesser wages, made ends meet better than under the high pressure system.

The importation of materials for manufacture was increased, but with a still greater increase of exports of manufactures. The country was no longer limited to the barbaric trade of exporting food to buy the articles of civilization, but began to occupy the continent of America and to

enter the markets of all the world with manufactured goods. Our manufacture of cotton, released from the old fetters, and further stimulated by the possession of the cotton production, began to grow to its rightful supremacy in all the world. Under the reduced cost of materials and of all that the workman consumes, the shipping, unaided by bounties or subsidies, grew with its old energy, and not only carried our products, but entered into the carrying trade of other countries, as in former times.

With the prostration of prices and labor, and the reconstruction of our financial system, consequent to the war, a revolution took place in the industries and in the habits of the people. Manufactures started from the solid base of low cost of production, and no longer demanded that government should assure them enormous profits by bounty and monopoly, and they grew strong on this sure foundation. No industry was permitted to levy upon others, and all thrived better without favoritism. Workmen handled less money, but, with the lower cost of living, lived better, and saved more for the rainy day. Thrift took the place of improvident trust in the future, and self-reliance the place of combination and warfare on their own employment. The railroad kings and others who had amassed colossal fortunes by a practice of public piracy, were made to contribute their share to the public revenue. Enormous wealth, gained by public plunder, became less respectable.

The American man became sober-minded, less self-assertive, less given to brag, less subject to the leading of political demagogues, less bellicose. After a period of terrible depression, the country entered upon a rising course of prosperity. The mind of the statesman did not cease to wonder that what he regarded as the ruin of the manufactures, regenerated them, and gave new life to agriculture. The relative effects of the war upon the two countries was almost a parallel to that of France and Germany after the Prussian conquest. The effect of the reduced tariff which the British imposed, was not what England looked for. Instead of giving to her our entire market, it made the United States her rival in other markets.

A great nation of fifty millions, with unlimited lands, cheap food, an ingenious and energetic people, a country abounding in iron, coal and timber, possessing the cotton product which all the world must have, with boundless ranges for the production of wool and leather, rich in the precious metals, and having all the elements of manufacturing supremacy, was now entering into its world-wide kingdom. In cotton manufacture, none could compete with its advantages. It became the iron king of the world. In the light of this revelation, the American people wondered that they themselves had so long fettered their progress to that industrial supremacy for which nature had so richly endowed their country.

Nor did England reap in anything the gains she anticipated from our humiliation. The fine was spent in war expenses. The vanity of military prestige and of an imperial foreign policy, led her to a great increase in her military establishment. The growth of our national army, and her consciousness of the feeling of revenge which she had planted, constrained her to keep a large standing army in Canada. Taxes and national debt increased, and her industries began to decline. It was soon perceived that not her natural advantages or skill, but the fettering financial systems of other countries, had raised up her manufacturing and shipping empire.

With the admission of the ignorant majority into her governing class, fallacies of political economy got the sway. Demagogue friends of the workingman became political leaders. Labor discontents demanded relief by protective duties. The agricultural class demanded protection against American cheap food. And so a rise in the cost of production, which had before given premonition of the culmination of England's manufacturing supremacy, was accelerated by greatly increased cost of living, which diminished her exporting power. The fetters from which she had delivered us, as a hard penalty of war, she took upon herself, at a time when, of our own volition, we were casting off the remainder.

To the American people the sequence to the war was a new reading of Samson's riddle on the lion: "Out of the

eater came forth meat, and out of the strong came forth sweetness." It is true that so terrible a scourging ought not to be needed to teach us this common sense; that our statesmen and military men should have known that the country was defenseless against the war engines which modern progress had made; that they might have known before that the element which they thought our protection was our danger, bearing to the threshold of our sea-board and lake cities great, swiftly moving iron forts, which we had no means to resist; that they should have known the impotence of our army establishment for a war with a great naval power; that war would break down currency and revenue, and with it credit, and that they ought to have provided against these things before provoking war.

It is true that all this disaster and humiliation was because of a lack of common sense in the government, which should have seen that which was as plain before as after this terrible lesson. It is true that ordinary intelligence should have enabled them to see that such a change of financial policy would set free our manufacturing energies and resources, and that this would give new life to agriculture, lifting up the farmers from the hard condition of hewers of wood and drawers of water for those patronized by the government, and that they should have made it without being compelled by foreign conquest, and that it would have been much more beneficial in the absence of the enormous burden created by the war.

But in general each individual and each nation has to learn wisdom and even common sense by hard experience. This regenerating change was not made without the war, and was made by the war; therefore has this history the mighty paradox that our nation's ruin became the source of her rise to that imperial position, in military power and in manufactures and shipping, for which nature had given her all the elements.

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